

Part 2: 2-9 Housing Patterns

The average value of a house in a geographic area, the types of housing available and the locations of those houses are very important factors for retailers to consider when selecting a store location. Do the nearby residential areas have more single family dwellings or more apartments, condos or townhouses? What are the interest rates on home mortgages? What are the county and city tax rates? And, what are the income levels of residents in the area?

The type of housing dictates the types of furnishings and furniture purchased. Additionally, whether the dwelling is owned or rented many times makes a difference in the type and/or amount of purchase for a specific product category. Upscale communities with expensive homes call for different types of shopping areas than those in college communities or small towns. Frequently a segment of consumers cluster in specific areas within a city and have houses of a similar price value. Many times, these consumers also have similar taste levels, buying patterns, and consumer behavior.

In summary, analyzing the trading area is essential to establishing a store image. The image must be a fit with the expectations of the target consumer and must be established with a clear, consistent message from the retailer. The visual merchandiser plays a large role in communicating this concise store image through consistency in visual presentations and displays and through appealing to the target consumer segment in a specific trading area.



In *Part 3: (3-1 – 3-8) Developing the Inviting Store Image: Create Identifiable Store Elements*, the elements to appeal to a specific target consumer in a particular trading area will be identified and discussed.